

Mailing CPNI Polling Package - Replacement Packet
Mailing cost for Polling Responses - Replacement Packet
Visually Check all Responses - Replacement Packet
Loading and Running Card Scanner to Record Responses - Replacement Packet
SORCES Update for All Restricted Responses - Replacement Packet
Update Polling Data Base for all Responses - Replacement Packet
Calling Customers for Verification - Replacement Packet
Key Entry for non-Scannable Cards - Replacement Packet

Polling and Response Processing Costs - Second Follow -up Call

Cost to Run Follow-up Report
Cost to Make Second Follow-up Call
Update Polling Data Base for Second Follow-up Call
Preparation of Mailing Lists - Replacement Packet
Printing of Packets and Labels - Replacement Packet
Envelopes Stuffed - Replacement Packet
Mailing CPNI Polling Package - Replacement Packet
Mailing cost for Polling Responses - Replacement Packet
Visually Check all Responses - Replacement Packet
Loading and Running Card Scanner to Record Responses - Replacement Packet
SORCES Update for All Restricted Responses - Replacement Packet
Update Polling Data Base for all Responses - Replacement Packet
Calling Customers for Verification - Replacement Packet
Key Entry for non-Scannable Cards - Replacement Packet

Processing Costs - No Responses

SORCES Update for all Restricted Defaults
Update Polling Data Base for No Responses
Allocation Program for all No Responses

Restriction Costs - Automatically Restricted Records

SORCES Update for all Automatically Restricted Records

ASSUMPTIONS/ESTIMATES REQUIRED FOR COST ESTIMATION

Number of Packets Mailed/Responses

Initial Residential Packets Mailed (in 000's)
Initial Business Packets Mailed (in 000's)
Residential Responses to First Mailer (in 000's)
Business Responses to First Mailer (in 000's)
Follow-up Residential Packets Mailed (in 000's)
Follow-up Business Packets Mailed (in 000's)
Residential Responses to Follow-up Mailer (in 000's)
Business Responses to Follow-up Mailer (in 000's)

Number of First Follow-up Calls Made (if PUC requires)

First Follow-up Residential Calls Made (in 000's)
First Follow-up Business Calls Made (in 000's)
Replacement Residential Packets Mailed (in 000's)
Replacement Business Packets Mailed (in 000's)
Residential Responses to First Follow-up Call (in 000's)
Business Responses to First Follow-up Call (in 000's)

Number of Second Follow-up Calls Made (if PUC requires)

Second Follow-up Residential Calls Made (in 000's)
Second Follow-up Business Calls Made (in 000's)
Replacement Residential Packets Mailed (in 000's)
Replacement Business Packets Mailed (in 000's)
Residential Responses to Follow-up Mailer (in 000's)
Business Responses to Follow-up Mailer (in 000's)

Number of Customers Assigned to Default

Number of Residential Customers Assigned to the Default
Number of Business Customers Assigned to the Default
Number of Residential Customers Automatically Non-Restricted
Number of Business Customers Automatically Non-Restricted
Number of Residential Customers Automatically Restricted
Number of Business Customers Automatically Restricted

Number of Customers

Residential Customers (in 000's)
Business Customers (in 000's)

Growth Rate for Residential Lines per Year
Growth Rate for Business Lines per Year
Annual Churn Rate for Residential Customers per Year
Annual Churn Rate for Business Customers per Year

CPNI Automatic Restrictions Responses

Percentage of Residential Customers with Non-Published Numbers
Percentage of Residential Customers with Forwarded To Numbers
Percentage of Business Customers Automatically Restricted

Number of Customers with Restrictions

Number of Residential Customers Automatically Restricted (in 000's)
Number of Business Customers with > 20 Lines (in 000's)
Number of Residential Customers Requesting Restriction after Initial Mailer
Number of Business Customers Requesting Restriction after Initial Mailer
Number of Residential Customers Requesting Restriction after Follow-up Mailer
Number of Business Customers Requesting Restriction after Follow-up Mailer
Number of Residential Customers Requesting Restriction after 1st Follow-up Call
Number of Business Customers Requesting Restriction after 1st Follow-up Call
Number of Residential Customers Requesting Restriction after 2nd Follow-up
Call
Number of Business Customers Requesting Restriction after 2nd Follow-up Call
Number of Residential Customers With No Response Restricted due to PUC
Mandate
Number of Business Customers With No Response Restricted due to PUC
Mandate

Costs for Preparing Data Base and Polling Package

Cost to Develop Data Base (1993 only)
Cost to Develop Each Report (not Complex) - GTEDS (1993 only)
Number of Reports Needed
Cost to Add Each Customer to Data Base
Preparation of CPNI Polling Package (1993 only)
Preparation of Mailing Lists (per name)
Cost to Print Packet (per name)
Cost to Print Label (per name)
Cost to Stuff Envelope (per name)
Cost to Mail CPNI Polling Package

Response Rates to First Polling Packet

Percentage of Residential Customers responding to first Mailer
Percentage of Business Customers responding to first Mailer
Percentage of Residential responses requesting Restriction
Percentage of Business responses requesting Restriction

Costs for Recording CPNI Responses

Cost of Post Office Box to Receive Responses (per year)
Cost to Mail Each Response to Polling Packet (paid by GTE)
Time to Visually Check a CPNI Response
Percentage of Responses which can be scanned
Percentage of Responses which cannot be scanned
Operator's Time to Run Scanning Equipment (per name)
Time to Set up cards for Scanning
Cards set up at a Time
Annual Card Scanner Maintenance Cost Allocated to Polling
Costs to Update Polling Data Base (per customer)
Costs to Update SORCES record as restricted per customer
Percentage of Unscannable Responses which are Readable
Percentage of Unscannable Responses which are Unreadable
Calls per Customer to Clarify Response
Time per Call to Customer
Cost per Phone Call to Customer
Time to Key Cards Unscannable or not Polled

Costs to do Follow-up Mailer if No Response to Initial Mailer

Cost to Run No Response Follow-up Report (per name)
Preparation of Follow-up Mailing Lists (per name)
Cost to Print Follow-up Packet (per name)
Cost to Print Label for Follow-up Packet (per name)
Cost to Stuff Envelope for Follow-up Packet (per name)
Cost to Mail Follow-up Packet

Response Rates to Follow-up Packet

Percentage of Residential Customers responding to follow-up Mailer
Percentage of Business Customers responding to follow-up Mailer
Percentage of Residential responses requesting Restriction
Percentage of Business responses requesting Restriction

Costs to do First Follow-up Call if no Response to Initial Mailer

Cost to Run No Response Follow-up Report (per name)
Percent of Residential Customers Answering First Follow-up Call
Percent of Residential Customers Not Answering First Follow-up Call
Percentage of Business Customers Answering First Follow-up Call
Percentage of Business Customers Not Answering First Follow-up Call
Cost per Phone Call to Customer
Time per Call to Customer
Costs to Update Polling Data Base
Percent Residential Calls Answered where Customer does not want to Respond
Percent Residential Calls Answered where Customer does want to Respond
Percent Answered Residential Calls and Customer wants to Respond; Needs
Packet
Percent Business Calls Answered where Customer does not want to Respond
Percent Business Calls Answered where Customer does want to Respond
Percent Answered Business Calls and Customer wants to Respond; Needs
Packet

Response Rates to First Follow-up Call

Percent of Residential Customers responding w/o 1st Follow-up Call
Percent of Business Customers responding w/o 1st Follow-up Call
Percent of Residential Customers responding to 1st Follow-up Call
Percent of Business Customers responding to 1st Follow-up Call
Percentage of Residential Responses requesting Restriction
Percentage of Business Responses requesting Restriction

Costs to do Second Follow-up Call if no Response to Initial Mailer

Cost to Run No Response Follow-up Report (per name)
Percent of Residential Customers Answering Second Follow-up Call
Percent of Residential Customers Not Answering Second Follow-up Call
Percentage of Business Customers Answering Second Follow-up Call
Percentage of Business Customers Not Answering Second Follow-up Call
Cost per Phone Call to Customer
Time per Call to Customer
Costs to Update Polling Data Base
Percent Residential Calls Answered where Customer does not want to Respond
Percent Residential Calls Answered where Customer does want to Respond
Percent Answered Residential Calls and Customer wants to Respond; Needs
Packet
Percent Business Calls Answered where Customer does not want to Respond
Percent Business Calls Answered where Customer does want to Respond

Percent Answered Business Calls and Customer wants to Respond; Needs Packet

Response Rates to Second Follow-up Call

Percent of Residential Customers responding w/o 2nd Follow-up Call
Percent of Business Customers responding w/o 2nd Follow-up Call
Percent of Residential Customers responding to 2nd Follow-up Call
Percent of Business Customers responding to 2nd Follow-up Call
Percentage of Residential Responses requesting Restriction
Percentage of Business Responses requesting Restriction

Costs to Handle Customers Who Do Not Respond to Packet and Follow-up

Costs to Update Polling Data Base
Costs to Run Allocation (per Name)

Inflation

Wage Inflation - Hourly
Wage Inflation - Management
Price Inflation

Hourly Loaded Labor Rates

CSOC Representative
BSOC Representative
Direct Mail/Direct Response Representative

B) CPNI POLLING EXPENSES - ANSWERING CUSTOMER QUESTIONS

Cost for Incoming Phone Call - 800 Line
Cost for Handling Phone Call - 800 Line
Preparation of Mailing Lists - Another Mailer
Printing of Packets and Labels - Another Mailer
Envelopes Stuffed - Another Mailer
Mailing CPNI Polling Package - Another Mailer
Cost for Incoming Phone Call - BSOC & CSOC
Cost for Handling Phone Call - BSOC & CSOC
Preparation of Mailing Lists - Another Mailer
Printing of Packets and Labels - Another Mailer
Envelopes Stuffed - Another Mailer
Mailing CPNI Polling Package - Another Mailer

ASSUMPTIONS/ESTIMATES REQUIRED FOR COST ESTIMATION

Number of Customer Calls

Number of Residential Customers Calling Special 800 Line (in 000's)
Number of Business Customers Calling Special 800 Line (in 000's)
Number of Residential Customers Calling CSOC (in 000's)
Number of Business Customers Calling BSOC (in 000's)

Percentage of Customers Calling GTE

Percentage of Residential Customers Calling Special 800 Line
Percentage of Residential Customers Calling CSOC
Percentage of Business Customers Calling Special 800 Line
Percentage of Business Customers Calling BSOC

Cost to Handle Calls on Special 800 Line

Cost for Incoming 800 Line Call
Time to Handle an Incoming 800 Line Call
Percentage of Residential Customers Needing Another Mailer
Percentage of Business Customers Needing Another Mailer

Cost to Handle Calls at CSOC/BSOC

Cost for Incoming Phone Call (Assumed 800 Line)
Time to Handle an Incoming 800 Line Call
Percentage of Residential Customers Needing Another Mailer
Percentage of Business Customers Needing Another Mailer

C) CPNI TRAINING COSTS - POLLING ALL CUSTOMERS

- Cost to Develop Training Program
- Cost to Develop Procedure Development
- Cost to Train Information Management Employees
- Cost to Train CSOC Employees
- Cost to Train BSOC/TAM Employees
- Cost to Train Small Business Sales Employees
- Cost to Train Major Accounts Employees
- Cost to Train National Accounts Employees
- Cost to Train Product Management Employees
- Cost to Train Sales Administration Employees
- Handout Costs
- Cost for Trainer's Time

ASSUMPTIONS/ESTIMATES REQUIRED FOR COST ESTIMATION

- Information Management Employees to be Trained
- CSOC Employees to be Trained
- BSOC/TAM Employees to be Trained
- Small Business Sales Employees to be Trained
- Major Accounts Employees to be Trained
- National Accounts Employees to be Trained
- Product Management Employees to be Trained
- Sales Administration Employees to be Trained
- Cost per Handout per Employee
- Hours of Training per person
- Hours Assumed for Annual Salary
- Time to Develop Training Course (in hours)
- Time to Develop Procedure Development (in hours)
- People Trained per Class
- Trainer's Time per Class
- Employee Turnover Rate

Management Loaded Labor Rates

- Information Management
- Small Business Sales
- Major Accounts Sales
- National Accounts Sales
- Product Management
- Sales Administration
- Education and Training
- Loading Percentage

D) CPNI CSOC/BSOC HANDLING COSTS - POLLING ALL CUSTOMERS

ON-LINE ADDITIONAL COSTS

Cost to Update SORCES, CMSS with Password
Extra Costs to Handle Restricted Residential Customers (C,T&F,Inquiry)
Extra Costs to Handle Restricted Multi-line Customers (C,T&F,Inquiry)
Extra Costs to Handle Non-Restricted Residential Customers (I Only)
Extra Costs to Handle Non-Restricted Multi-line Customers (I Only)
Extra Costs to Handle Restricted Residential Customers (Enhanced Services)
Extra Costs to Handle Restricted Multi-line Customers (Enhanced Services)

OFF-LINE ADDITIONAL COSTS

Extra Costs to Handle Restricted Residential Customers (Correspondence)
Extra Costs to Handle Restricted Multi-line Customers (Correspondence)
Extra Costs to Handle Restricted Residential Customers (Directory Verification)
Extra Costs to Handle Restricted Multi-line Customers (Directory Verification)
Extra Costs to Handle Restricted Residential Customers (Error Corrections)
Extra Costs to Handle Restricted Multi-line Customers (Error Corrections)

ASSUMPTIONS/ESTIMATES REQUIRED FOR COST ESTIMATION

No CPNI Effect for New Services
No CPNI Effect for Disconnect Orders
CPNI Effect for Service Changes
CPNI Effect for Enhanced Services Order
CPNI Effect for Inquiries
CPNI Effect for Service Moves
Percentage of Residential Customers With Service Order Activity
Percentage of Multiline Customers With Service Order Activity
Percentage of Calls Usually Handled Normally (I)
Percentage of Calls Handled Normally (I,O)
Percentage of Calls for (C,T&F,Inquiry)
Percentage of Calls for (Enhanced Services)
Additional Time to Pull Up Customer's Record
Additional Time to Transfer Call With Explanation
Additional Time to Ask for Customer Name and Number

Customer Calls (I Only) Handled per Year

Residential Customers
Business Customers

Customer Calls (C,T&F,Inquiry) Handled per Year

Residential Customers
Business Customers

Customer Calls (Enhanced Services) Handled per Year

Residential Customers
Business Customers
Correspondence Received per Year as % of Base
Additional Time to Refer Correspondence Which Cannot be Handled
Additional Time to Receive and Read Correspondence
Additional Time to Pull up Record
Total Additional Time to Handle Restricted Customer

Customer Correspondence Pieces Handled per Year

Residential Customers
Business Customers
Directory Listing Verifications per Year as % of Base
Additional Time to Put Directory Listing on Hold List
Additional Time to Read Directory Listing
Additional Time to Pull up Record

Customer Directory Listings Handled per Year

Residential Customers
Business Customers
Error Corrections per Year as % of Orders
Additional Time to Put Directory Listing on Hold List
Additional Time to Read Directory Listing
Additional Time to Pull up Record

Error Corrections Handled per Year

Residential Customers
Business Customers

E) CPNI AUTOMATIC RESTRICTION WAIVER PROCESS - MAJOR ACCOUNTS

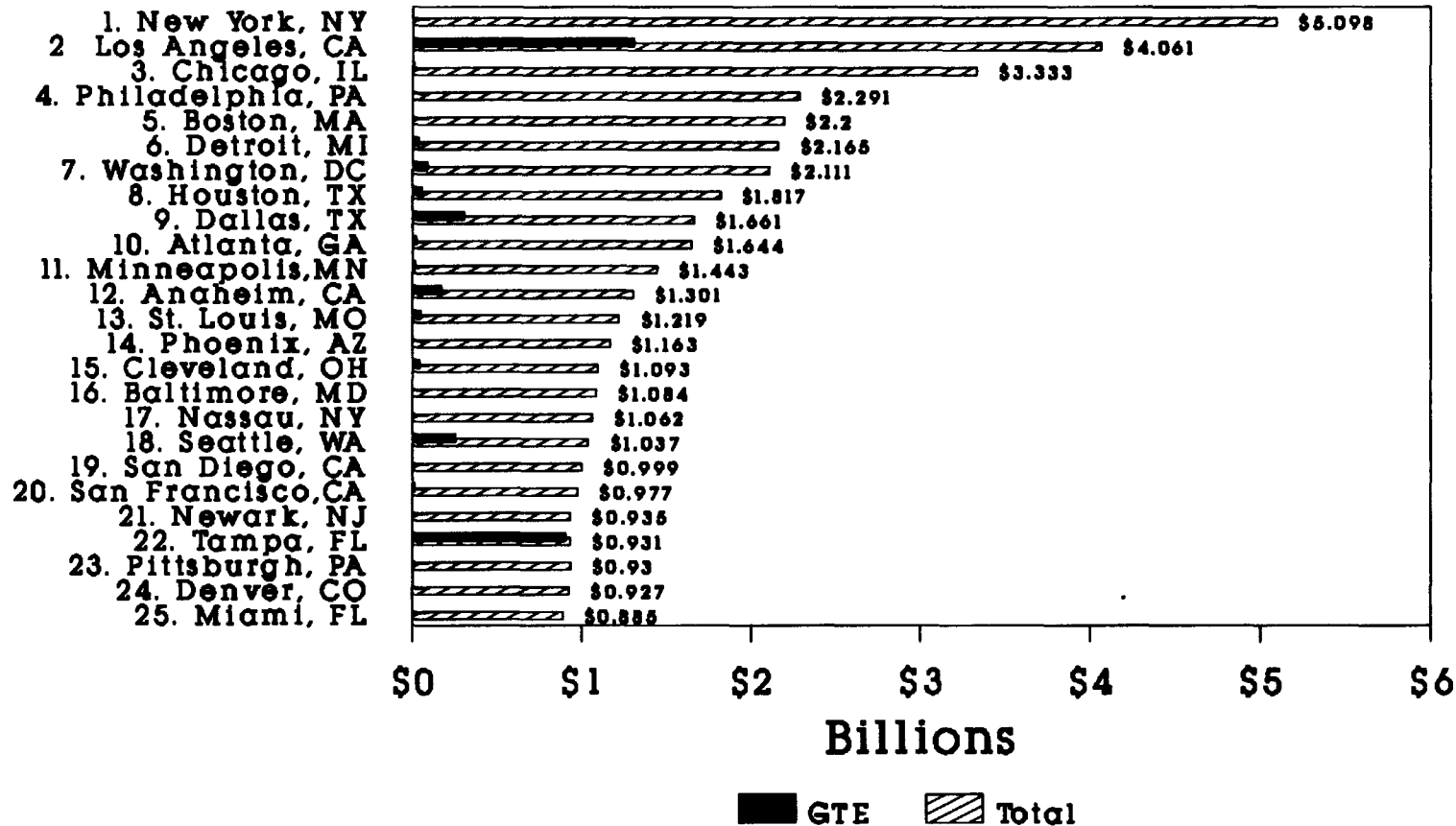
Major Accounts Salesperson Cost to Obtain Waiver
Cost for BSOC Representative to Unrestrict Records
Total Cost to Process CPNI Automatic Restriction Waiver

ASSUMPTIONS/ESTIMATES REQUIRED FOR COST ESTIMATION

Number of Business Customers Automatically Restricted
Time to Discuss CPNI Restriction Implications with Customer (minutes)
Time to Arrange Appointment with Customer (minutes)
Time to Travel to Customer (hours)
Time to Update Records for Release of CPNI Restriction (minutes)
Percentage of Customers that will Waive Restriction
Number of Business Customers that Waive Restriction

ATTACHMENT B

GTE/CONTEL MARKET POTENTIAL DESCENDING STACK RANK OF MSAs Ranked by Annual Est. Comm. Expenditures



Ann. Est. Comm. Expenditures (Millions)

**GTE/CONTEL MARKET POTENTIAL
DESCENDING STACK RANK OF MSAs
Ranked by Annual Est. Comm. Expenditures**

26. Oakland, CA	\$868.779
27. San Jose, CA	\$858.099
28. Kansas City, MO	\$851.309
29. Milwaukee, WI	\$828.737
30. Bergen, NJ	\$698.226
31. Columbus, OH	\$688.243
32. Cincinnati, OH	\$687.944
33. Indianapolis, IN	\$666.394
34. Hartford, CT	\$664.327
35. Portland, OR	\$651.525
36. New Orleans, LA	\$630.657
37. Fort Worth, TX	\$616.999
38. Ft. Lauderdale, FL	\$592.006
39. Riverside, CA	\$576.008
40. Charlotte, NC	\$545.778
41. Norfolk, VA	\$537.197
42. Sacramento, CA	\$535.286
43. Richmond, VA	\$508.136

Certificate of Service

I, Ann D. Berkowitz, hereby certify that copies of the foregoing "GTE's Reply Comments" have been mailed by first class United States mail, postage prepaid, on this 24th day of March, 1993 to all parties of record.



Ann D. Berkowitz